



REGULAR MEETING
PUBLIC EMPLOYEES' RETIREMENT BOARD
DECEMBER 9, 2005

The regular meeting was called to order by President Carey at 8:30 a.m. Friday, December 9, 2005. Roll call was taken with all members of the Board being present. Board members and staff present were:

Carole Carey, President
Betty Lou Kasten, Vice President
Robert Griffith, Member
Jay Klawon, Member
Troy McGee, Member
John Paull, Member
Terry Smith, Member
Kelly Jenkins, Counsel
Melanie Symons, Counsel
Mike O'Connor, Executive Director
Linda Owen, Secretary

OPEN MEETING

Stephen C. Kologi, AMRPE; Jim Kembel, MPPA/TIAA-CREF; Kathy McGowan, MSPOA; Mark Johnson, Milliman Inc.; Tom Schneider, MPEA; Terry Teichrow, PERS Member; Carroll South and Geri Burton, Board of Investments; Dave Bohyer, Legislative Services Division; Don Kinman, AFSCME; Dave Senn, Teachers' Retirement System; Kurt Bushnell, Dan Cotrell, Matt Norby, Jack Trethewey, and Douglas H. Neil, members of the Montana State Firemen's Association; and Kim Flatow, Member Services Bureau Chief; Roxanne Minnehan, Fiscal Services Bureau Chief; Carolyn Miller, Administrative Officer; and Joel Thompson, Training and Development Specialist; MPERA, joined the meeting.

MINUTES OF OPEN MEETING

The Executive Director presented the minutes of the open meeting of October 27, 2005. Mr. Griffith moved that the minutes of the previous open meeting be approved. Mr. McGee seconded the motion, which upon being submitted to vote, was duly carried with the seven attending members voting aye.

The Executive Director presented the minutes of the open meeting of November 16, 2005. Mr. Griffith moved that the minutes of the previous open meeting be approved as amended. Mr. McGee seconded the motion, which upon being submitted to vote, was duly carried with the seven attending members voting aye.

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The Executive Director presented the minutes of the open meeting of November 21, 2005. Mr. Griffith moved that the minutes of the previous open meeting be approved as amended. Mr. McGee seconded the motion, which upon being submitted to vote, was duly carried with the seven attending members voting aye.

PUBLIC COMMENT

Dave Kasten, rancher from Brockway, MT and past state representative, noted that this was a volunteer Board and he wanted to thank the members for their service. He has been on a lot of committees and boards and knows the work involved. Newspaper accounts and finger pointing have put all the blame (of the funding deficit) on the PER Board. As a public citizen, he wanted to thank the Board for their work, and felt there should be apologies made by the Governor and the newspapers. There are problems, but working together is a two-sided affair. As a public citizen, he apologized for the treatment this Board has received from the Governor and the newspapers. He hopes this situation will get corrected soon and that the public is willing to work with the Board.

EXECUTIVE DIRECTOR'S REPORT - Mike O'Connor

Board Committee Policy – The Board adopted governance principles to ensure the Board has policies and guidelines regarding internal operational procedures. It is the intent of the “Board Committees” policy to provide guidelines for Board committees to follow in order to assist the Board in carrying out its fiduciary duties. This policy was prepared by staff for Board approval. It involves the establishment of Board committees, and how committees interact and conduct their business. Language was taken from the Board’s Governance Principles in the preparation of this policy. Ms. Symons reviewed additions/corrections to the policy with the Board. Mr. Griffith moved to approve the Board Committee Policy with changes. Mr. McGee seconded the motion, which upon being submitted to vote, was duly carried with the seven attending members voting aye.

Board Cafeteria Policy – The Board, at its October 27, 2005 Board meeting, adopted administrative rules regarding when 125 Plan contributions can be considered compensation for retirement purposes. The Board had, at its August 25, 2005 Board meeting, adopted Board Policy No. BOARD Admin 05. That policy contained language similar to the subsequently adopted administrative rules, as well as numerous examples of proper implementation of federal laws governing 125 plans. The proposed amended Board Policy No. BOARD Admin 05 adopts the same language contained in the Board’s rules, and amends the implementation examples to be consistent with those rules.

The Board’s primary objective is to maintain the qualified status of the retirement systems it administers. In order to meet this objective, the Board must comply with the IRS Code when determining what constitutes “compensation.” Mr. McGee moved to amend the Board’s Policy No. “Board Admin 05—Treating Salary Deferrals Under a Cafeteria Plan as Compensation” pursuant to the draft recommended by staff. Mr. Griffith seconded the motion, which upon being submitted to vote, was duly carried with the seven attending members voting aye.

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Executive Direct Hiring Committee Process – Mrs. Kasten gave a brief update on the Hiring Committee's meeting December 8, referring to handouts she received at that time. She introduced the process by expressing that the only purpose of the subcommittee was to facilitate the hiring of the executive director. It was not to make any decisions that were not also confirmed or done by the whole Board. It is the committee's intention to bring everything to the full Board through recommendations for consideration.

Communications and Management Service (CMS) provided a handout on the hiring procedure. CMS will be advising the Board every step of the way as to the scope and matrix of how the applications are sent out, to whom, how they are rated and in what manner, and how the final process will go. What the Board is aware of, and what has always been a Board agenda, is proactive communication. The big question will be what has to be open to the public and what violates the applicants' individual right to privacy.

John Shontz, counsel for the Montana Newspaper Association (MNA) provided an informational handout on open meeting case law. Sheri Heffelfinger, with the Legislative Services Division, also spoke to the committee on open meeting law. Her comments were read and are on record. Ms. Symons provided a handout of an accumulation of the constitutional provisions and the statutes in Montana law that talk about the powers of the governor, the powers of the budget director, and the powers of the Board.

Mrs. Kasten noted that Janet Kelly, Director for the Department of Administration (DOA), will be joining the Personnel Subcommittee/Executive Director Hiring committee. Ms. Kelly provided what she perceives as her role on the committee and her vision for participation. From her perspective, joining the subcommittee is, hopefully, an opportunity to provide her experiences in recruitment and selection, and to bring additional expertise along with, perhaps based upon her experiences, some suggestions as to other issues that the committee needs to review and discuss in terms of developing the recruitment process. She sees herself as an additional resource to the personnel committee. She said she comes with no preconceived notions other than affording the Board an opportunity to expand the area of expertise that currently consists among the members. Ms. Kelly does not want anybody to get the impression that she assumes the experiences of the three Board members currently on the selection committee panel are inadequate. She feels there is always room for expansion, and the more ideas, the better the basic process becomes. Ms. Kelly does not consider herself a liaison to the Governor if she joins the subcommittee.

Mr. Klawon felt that what was read in the newspaper had very little to do with what had transpired in the committee meetings. The Board hired someone from the Human Resource Division of the DOA, to walk them through the hiring process from the very beginning. He found it very difficult to hold a secret meeting when this person is walking them through the process. The mistake that was made was that the subcommittee thought it was appropriate to have these meetings closed, and

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did not think it was necessary to post them on the website. Ultimately, regardless of the Governor's initial charges, his lawsuit included only the fact that the Board did not post those meetings. Mr. Klawon felt that, perhaps, the Board could use Ms. Kelly's expertise in helping decide what is closed and what is open according to Mr. Shontz, but Ms. Kelly told him that was not her expertise. Mr. Klawon noted that the Board's hiring of a DOA Human Resource individual has never been reported in a newspaper. He also noted that the MPERA's unfunded liability is \$550 million, not \$1.4 billion. The situation is being made to look worse than it is when a larger share of the unfunded liability belongs to the Teachers' Retirement. One thing the Governor's office has failed to mention is what is best for the members of the retirement systems.

In light of the Governor's letter, and now that Barb Kain has voiced her comments and opinions on what she feels took place during the hiring process, Mrs. Kasten asked if the individual Board members who took part in the meetings are now released to say exactly what they saw and said, and how the process unfolded. Ms. Symons advised the Board that because the Governor's lawsuit has not yet been dismissed, individual Board members should not be giving informal comments. She also advised the Board that if they are asked questions by the Governor's office, they should ask for their legal counsel to be present. Mrs. Carey wanted to make one thing clear to the public: a statement made in the Governor's report that "the super board member Terry Teichrow had undue influence on the whole Board and that the staff was all upset" was totally untrue.

Mr. Klawon pointed out that this Board administers the retirement systems; they do not pass laws to increase benefits or have the ability to increase returns. Mr. Ewer, Budget Director, was on the Board of Investments during the time of market decline. Mr. Klawon wished that for once, the press would do some investigative reporting and tell both sides.

President Carey read into the record and put on file a statement by Sheri Heffelfinger, since she was unable to attend this meeting.

Human Resource Contract – CMS – Mrs. Kasten advised the Board that the recommendation of the Personnel Subcommittee was to consider a contract with Communications and Management Service (CMS), to guide and assist the Board with the hiring process for an executive director. After review of the contract, Mr. Klawon moved to hire CMS. Mr. Paull seconded the motion, which upon being submitted to vote, was duly carried with the seven attending members voting aye.

Mrs. Kasten made a motion that the letter from the governor, dated December 7, 2005, should be answered. Board counsel will write the letter, with President Carey's signature, bringing him up to speed on where the Board is at with the hiring process, and what their plans are going forward. Mr. Griffith seconded the motion, which upon being submitted to vote, was duly carried with the seven attending members voting aye.

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The Governor also directed the Board to expand the personnel subcommittee to include Janet Kelly, Director of the Department of Administration. Ms. Kelly stated her personal opinion was that she is not a member of the PER Board, nor would she elevate herself to such a position. She would be a voting member of the personnel subcommittee in terms of the development of the recruitment and selection process of the new executive director. Mr. McGee made a motion to approve the appointment of Janet Kelly to the personnel subcommittee in the recruitment process with voting rights. Mr. Jenkins pointed out that any time the Board appoints an agent, whether by contract or otherwise, the Board needs to know the agent understands and accepts the Board's fiduciary responsibility as their own. Mrs. Kelly stated that she is aware of fiduciary responsibilities that fall to the members of the personnel subcommittee and she understands that by becoming a member, she will assume those responsibilities. Furthermore, if requested by the Board, she would be comfortable signing a document stating such. Mr. Griffith seconded the motion, which upon being submitted to vote, was duly carried with the seven attending members voting aye.

Mrs. Kasten advised the Board of a recommendation that the Board should look at an updated market survey with respect to the executive director salary. Mr. O'Connor provided a draft of a market survey completed in 2002 for all staff, including the executive director position. He added that the Missouri State Retirement System has always surveyed statewide retirement systems and using the current 2005 survey, the executive director position salary should be updated before the position is advertised. The salary discussion will be tabled and addressed at a later date with a conference call meeting.

The Board needed to consider appointing an interim executive director because the hiring process would take longer than December 31, 2005 to have someone hired. Mr. O'Connor recommended Roxanne Minnehan because she has, on numerous occasions, been in charge in his absence. She would receive differential pay. Ms. Minnehan said she would accept the responsibility. Mrs. Kasten moved to appoint Roxanne Minnehan as Interim Executive Director. Mr. McGee seconded the motion. Mrs. Kelly felt the Board should defer their decision to allow the public an opportunity to know what they are doing and how they structure their decision-making process. The motion was withdrawn and the decision will be made at a conference call meeting.

Out of State Travel Authorization – The Board was requested to authorize Kelly Jenkins to attend the National Association of Public Pension Attorneys' Winter Conference in Washington, DC, February 7-10, 2006. Mr. Klawon made a motion to approve the NAPPA travel authorization for Mr. Jenkins. Mr. Paull seconded the motion, which upon being submitted to vote, was duly carried with the seven attending members voting aye.

Quarterly Budget Review – Roxanne Minnehan gave a brief first quarter budget update of expenses paid as of October 31, 2005. The overall budget looks good at 22% expenditure for all programs.

EIAC Committee Appointments – Kathy Samson reported that a minimum of seven (over half) of the EIAC members must be appointed:

- Five members whose terms expired July 1, 2005
- Kevin McRae, who moved to a non-state job
- Terrence Smith

Additionally, other EIAC members may no longer be interested in serving. A note has been sent to all members, including the five whose terms expired, asking about their continued interest. What may be needed is a board policy relative to EIAC. Ms. Samson would like the Board to discuss and confirm the EIAC structure, bearing in mind the EIAC statutory duties. She would also like the Board to identify and define the role of EIAC. That could give the members a more active role. Doing that also heightens and enhances the Board's public process and openness, and bringing public comment into everything coming before the Board. Mr. O'Connor noted there is a set of bylaws that EIAC follows, and part of that structure is in those bylaws.

Ms. Samson suggested reviewing the bylaws more closely and possibly develop a stronger policy that would include the bylaws, and also include more definition of EIAC's role. EIAC has been regulated to look at investment options, which is a very important duty, but does not have to be their only duty. If EIAC is intended to advise the Board, do you want appointees to be managers, people who are office workers and not managers, or someone who has investment expertise? Some of the processes relative to providing recommendations to the Board are not easy to understand and that is where the challenges are, and a higher level of management type of person to understand those processes may be needed. What are the qualifications and what do you want this person to do, or have the ability to do? We need to look carefully at how specific we get on qualifications. Mr. McGee agreed that anyone should be given the opportunity if they show an interest, but there needs to be a nucleus of people on that committee who can lead by the fact that they have the experience and training in this area.

Board of Investments Update – Mr. Paull reported that the Board of Investments (BOI) had been seeking a Retainer Investment Consultant to perform ongoing service for the BOI and to conduct an asset liability study for the pension funds. On November 10, 2005, R. V. Koontz from Portland, OR, was selected as the finalist for the retainer investment consultant position. The contracts are in the process of being signed. While in Portland, OR, Clifford Sheets met with R.V. Koontz and they organized an educational seminar that will be presented to the BOI and the public on February 2, 2006.

Information had been requested by the SAVA committee on investments made during the timeframe of 2000 through 2003. Carroll South had put together a very informative report that was presented to the SAVA committee. That report is available by contacting Kim Dallas at the BOI.

Security litigation policies that were drafted by the BOI. In April 2005, a contract was signed with the law firm of Berrick, Rodose and Bacine, to monitor any kind of litigations regarding lawsuits that have been filed by different parties. The big item on the policy was whether the The BOI needs to decide whether or not they would want to be the lead, or co-lead, the plaintiff in any kind of lawsuit because of the actions those companies and board of directors.

Mr. Paull addressed the security litigation policy that was drafted by the BOI. Independent Fiduciary Services had recommended the BOI set a policy to monitor any kind of litigations regarding lawsuits that have been filed by different parties. In April 2005, a contract was signed with the law firm of Barrick, Rodose and Bacine. That policy is available through the BOI.

Funding Status – Mr. O'Connor reported that SAVA created a bill that would actuarially fund all systems: Game Wardens' and Peace Officers' Retirement System (GWPORS), Sheriffs' Retirement System (SRS), Public Employee Retirement System (PERS), and Teachers' Retirement System (TRS). It was a combination of lump sum payments from the general fund and employer contributions. TRS received \$100 million and the PER Board received \$25 million. Of that \$25 million, \$11 million went to the SRS; \$1.2 million to GWPORS; \$1.4 million to pay off the DC Plan startup loan; and the balance to the PERS to pay down the unfunded liability.

Mr. O'Connor stated that the staff prides themselves on providing accurate information to the public and care needs to be taken that individual Board members do not provide inaccurate figures using their own calculations. Mr. O'Connor pointed out that the calculation of actuarial figures is very difficult and uses an intricate balance of funds. Policy considerations can be discussed regarding the Plan Choice Rate (PCR), but it should be done with accurate information, so accurate decisions can be made. As Executive Director, Mr. O'Connor was concerned with the bad reflection on this Board and staff when inaccurate information is provided.

Mr. Smith stated he no longer can support all of the measures the Board passed at the October meeting, although he still does support several of them. He felt it was clear the DC plan was the only plan in the entire system that, as a result of the decrease in the market, as well as that 11th hour GABA increase, retirement benefits were cut short. Mr. O'Connor pointed out that the DC plan benefits have not been cut. The contribution has been the same from the beginning. One has to remember it is a multiple employer cost-sharing plan and the obligation is for all employers to pay the liability. It would be good for the Board to have a discussion on how the plan choice rate works, the meaning of it, and what it is for. Both the DB and DC plans are paying off that unfunded liability. It was an actuary directed by the legislative committee who came up with this mechanism.

Mr. McGee added that it is anyone's right to testify before a legislative committee, but when you are a Board member, you have an obligation to first run things by the Executive Director or the Board. Running figures past a legislative committee that you alone have determined to be correct is not the way to go about it. Mrs. Kasten added that staff can actually help enhance a report and make it more credible, and she would like everyone to work together.

Mr. Jenkins pointed out that the motion in front of the Board references that communication should underscore the Board's previously approved funding proposal as implemented by the SAVA committee. The interim committee could not sunset in the same legislation the increases in contributions that were being put into that legislation when the amortization period got below 25 years or 30 years, as was contemplated by the Board, and initially contemplated by the interim committee. Effectively, what you are doing is having a payout period that goes beyond 30 years, and that does not meet the statutory and constitutional criteria, or the GASB requirements for a 30-

year amortization period. So, the committee eliminated that sunset provision for those increased contributions, and said we will just have to trust the legislatures in the future to reduce those contributions. You have to have the amortization period be 30 years or less, so at some point in the future, all you can do is change within those parameters.

Mrs. Kasten moved that the PER Board President communicate in writing with the Governor's Office and leadership of the House and Senate, the Board's profound concern with the scope of the Governor's special session call, and the Governor's limited proposal for funding, which do not meet the Constitutional and statutory requirements for actuarially sound funding of all Board administered retirement systems. The communication should underscore the Board's previously approved funding proposal as implemented by the SAVA Interim Committee, but also include an offer to work on any proposal that meets Constitutional and statutory funding requirements for PERS, Game Wardens' and Peace Officers' Retirement System, and Sheriffs' Retirement System. Mr. Klawon seconded the motion, which upon being submitted to vote, was duly carried with six of the attending members voting aye, and Mr. Smith voting nay.

Legislative Committee Update – President Carey appointed Mrs. Kasten, Mr. Paull, and Mr. Griffith to the Legislative Committee, with Mr. Griffith as Chair.

Future Board Meetings – Thursday: January 26, February 23, and March 23, 2006.

Education Committee Update – Mr. Klawon regrettably resigned from the Education Committee. One of his main issues has always been to educate the members of the retirement systems. However, based on what he views as petty, pathetic, political games played by the governor, his heart is no longer in it. Mr. Klawon stated that ever since he has been on the Board, they have debated what is "guidance," what is "advice," and what is "education." The laws are so ambiguous, he will not put himself in the position of being a pawn for the governor's games. He will stay on the hiring committee simply because he does not want to leave that whole burden for the other Board members. He has served his state to the best of his ability, but he no longer has the enthusiasm he once had to follow through.

Operational Summary Report - The Executive Director presented an operational summary report for the month of October 2005, answering any questions Board members had.

The following portion of the meeting relates to matters of individual privacy. President Carey determined that the demands of individual privacy clearly exceed the merits of public disclosure. As such, this portion of the meeting will be closed.

CLOSED MEETING

CONTESTED CASES

Informal Reconsideration – Kevin Hadley – Kevin Hadley, firefighter from Kalispell, requested that the Board reconsider his application for disability retirement. The Board had previously reviewed Mr. Hadley's information and denied his claim. Based on additional medical information provided, staff recommendation was to uphold the denial of disability benefits for Mr. Hadley.

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Following a lengthy discussion, Mr. Paull made a motion to grant Kevin Hadley a disability retirement with annual review. President Carey seconded the motion, which upon being submitted to vote, was duly carried with Mr. Paull, Mr. Smith, Mr. Klawon, and President Carey voting aye, and Mrs. Kasten, Mr. Griffith, and Mr. McGee voting nay.

Informal Reconsideration – Sue Sedminik – Sue Sedminik requested that the Board reconsider her application for disability retirement. After consideration, Mr. Griffith moved to grant Susan Sedminik a disability retirement with annual review. Mr. McGee seconded the motion, which upon being submitted to vote, was duly carried with the seven attending members voting aye.

Dana Ahmed - Disability Cancellation Request - Mr. Ahmed was approved for disability retirement in August 2004. He has accepted employment and has now requested to switch from a disability retirement to a service retirement. Mr. Klawon moved to approve Dana Ahmed's request to cancel his disability retirement, effective January 1, 2006. Mr. McGee seconded the motion, which upon being submitted to vote, was duly carried with the seven attending members voting aye.

Melanie Guerard - Disability Cancellation Request – Ms. Guerard requested to switch from a disability retirement to a service retirement. Mr. Klawon moved to approve Melanie Guerard's request to cancel her disability retirement, effective January 1, 2006. Mr. McGee seconded the motion, which upon being submitted to vote, was duly carried with the seven attending members voting aye.

MINUTES OF CLOSED MEETING

The Executive Director presented the minutes of the closed meeting of October 27, 2005. Mr. Klawon moved that the minutes of the previous closed meeting be approved. Mr. Paull seconded the motion, which upon being submitted to vote, was duly carried with the seven attending members voting aye.

RETIREMENT REPORT - Ian Steel, Disability Claims Examiner

Disability Claims - The Disability Claims Examiner presented the disability claims for Board consideration. Mr. Paull made a motion for approval of the disability claims as recommended for Diana Andren, John McEarhern, Richard Peterson, and Ray Woods, without annual review; and denying the claims for Candace Cardwell, Robert Vandenheuvell, and Francie Waite. Mr. Griffith seconded the motion, which upon being submitted to vote, was duly carried with the six attending members voting aye (Mr. Klawon was out of the room).

Finalized Service/Disability Retirement Benefits and Monthly Survivorship/Death Benefits - Applications for service retirements/finalized disability benefits and applications for monthly survivorship-death benefits were presented to the Board. Mr. Griffith made a motion to approve the retirement benefits as presented. Mr. McGee seconded the motion, which upon being submitted to vote, was duly carried with the seven attending members voting aye.

Informal Requests

Travis Arnold – In May 2002, Travis Arnold was terminated from his position with the City of Billings. In June 2002, as a result of arbitration, he was reinstated to his position and received retroactive salary. Retirement contributions were withheld on the retroactive wages he received. He is appealing the amount of service credit he received for the period of May 2002 and is requesting to receive full credit for that month.

Misty Martinez – In November 2003, Misty Martinez was terminated from her position with the City of Billings. In December 2003, as a result of arbitration, she was reinstated to her position and received retroactive salary. Retirement contributions were withheld on the retroactive wages she received. She is appealing the amount of service credit she received for the period of November 2003 and is requesting to receive full credit for that month.

Mr. Paull made a motion to grant appropriate service credit to Travis Arnold and Misty Martinez. Mr. Griffith seconded the motion, which upon being submitted to vote, was duly carried with the seven attending members voting aye.

Contested Case Report Update - The Board Attorneys presented a contested matter status report update.

The closed meeting was recessed and the open meeting was reconvened.

Staff Recognition – MPERA staff was asked to join the meeting. President Carey thanked staff for all the hard work and effort they go through to get their jobs accomplished. She wanted staff to know how very much the Board appreciates them.

With Mike O'Connor retiring, the Board presented him with a plaque that read:

“In a Resolution of Appreciation to Michael J. O'Connor

Whereas, Michael J. O'Connor has served the Montana Public Employees Retirement Board efficiently, diligently, and conscientiously as an employee for 30 years, acting as interim administrator, and executive director from September 1996 to December 30, 2005.

Whereas, he has effectively served the participants of Montana's retirement system during the administration of six governors, directed the implementation of the State's third largest public retirement plan (the PERS Defined Contribution Plan), assumed the management of the State's Deferred Compensation Plan, superintended a change in the office location, and administered the retirement plans of Montana public employees through a momentous period of great challenge and,

Whereas, it is the sincere and considered opinion and judgment of the said Board and the administrative staff that served with him and the many members of the ten retirement systems that he served with outstanding ability, temperament judgment unquestioned, integrity, keen understanding, and most commendable success.

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Now, therefore it be resolved, that the Public Employees' Retirement Board, its administrative staff, and the public employee members extended and record their profound, sincere, and heartfelt appreciation to Michael J. O'Connor for his exemplary service and counsel. His commitment and outstanding contributions during his long tenure as an employee of the said Board, and that the best wishes of the Board, the administrative staff, and the Montana Public Employee Retirement Systems participants attend him and his family in all his and their future activities.

Approved and adopted by the Montana Public Employees' Retirement Board, this 9th day of December, 2005, in Helena, Montana."

Mr. O'Connor was also presented with a plaque that read:

"The Montana Public Employees' Retirement Board extends its sincere appreciation to Michael J. O'Connor, Executive Director of the Montana Public Employees' Retirement Administration, 1996 to 2005, for your dedication, commitment, and outstanding contributions, and 30 years of service to Montana's public employee retirement systems."

Mr. O'Connor thanked everyone, adding that his accomplishments were because of the great staff he worked with and the great support from the Board. He has enjoyed his time with MPERA, it has been very interesting, as well as challenging, but very rewarding. However, he looks forward to retirement.

The two plaques were adopted unanimously by the Board.

ADJOURNMENT

There being no further business to come before the Board at this date, Mr. Klawon made a motion to adjourn the meeting. Mr. Griffith seconded the motion, which upon being submitted to vote, was duly carried with the seven attending members voting aye. The next meeting is tentatively scheduled for January 26, 2006, at 8:30 a.m. in Helena.